

AUTHORIZING THE SECRETARY OF THE INTERIOR TO SELL RESERVED  
PHOSPHATE INTERESTS OF THE UNITED STATES IN CERTAIN  
LANDS IN FLORIDA TO JOHN CARTER AND MARTHA B. CARTER

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FEBRUARY 13, 1974.—Committed to the Committee of the Whole House and  
ordered to be printed.

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Mr. HALEY, from the Committee on Interior and Insular Affairs,  
submitted the following

REPORT

[To accompany H.R. 10626]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H.R. 10626) to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Page 2, lines 3 through 19, strike out the present text and insert in lieu thereof the following:

SEC. 2. The Secretary shall require the deposit of a sum of money which he deems sufficient to cover estimated administrative costs of this Act. If a conveyance is not made pursuant to this Act, and the administrative costs exceed the deposit, the Secretary shall bill the applicant for the outstanding amount, but if the amount of the deposit exceeds the actual administrative costs, the Secretary shall refund the excess.

SEC. 3. No conveyance shall be made unless application for conveyance is filed with the Secretary within six months of the date of approval of this Act and unless within the time specified by him payment is made to the Secretary of (1) administrative costs of the conveyance and (2) the fair market value of the interests to be conveyed. The amount of the payment required shall be the difference between the amount deposited and the full amount required to be paid under this section. If the amount deposited exceeds the full amount required to be paid, the applicant shall be given a credit or refund for the excess.

"SEC. 4. The term "administrative costs" as used in this Act includes, but is not limited to, all costs of (1) conducting an exploratory program to determine the character of the phosphate deposits in the land, (2) evaluating the data obtained under the exploratory program to determine the fair market value of the mineral rights to be conveyed, and (3) preparing and issuing the instrument of conveyance.

"SEC. 5. Moneys paid to the Secretary for administrative costs shall be paid to the agency which rendered the service, and deposited to the appropriation then current. Moneys paid for the minerals or mineral interests conveyed shall be deposited into the general fund of the Treasury as miscellaneous receipts.

#### PURPOSE

The purpose of H.R. 10626, introduced by Mr. Haley, is to authorize the Secretary of the Interior to convey reserved phosphate interests of the United States in 39.9 acres of land in Polk County, Florida to John Carter and Martha B. Carter.

#### EXPLANATION OF NEED

John and Martha Carter of Lake Wales, Florida, the surface owners of this tract of land, desire to purchase whatever phosphate interests may exist in the land in order that this reservation of mineral interest in the United States not preclude or interfere with development and use of the land.

Normally, in cases of this kind, it has been the policy to convey the mineral interests to the surface owners upon a finding that there are no appreciable mineral values in the land, or that the reservation of mineral rights in the United States is interfering with or precluding appropriate or more beneficial development of the land. The conveyance is made only upon payment of the administrative costs and the fair market value of the interests being conveyed.

With respect to this particular tract of land, the Department witness stated during the hearings that drilling in the general area has indicated the existence of some low grade phosphate of little economic value.

He stated that additional testing is needed to determine whether the lands in question contain any phosphate values. It was this lack of information along with the Department's understanding that the reservation is not interfering with appropriate development of the land at the present time which contributed to the Department's unfavorable recommendation. Another factor mentioned in the report was the absence of language in the bill to require payment of administrative costs and payment for any mineral values.

The Committee believes that this reservation does preclude appropriate development of this tract of land and that the determination as to whether there are any phosphate values should be made upon application by the surface owners. The Committee has amended the bill to require the surface owners to pay the administrative costs of the conveyance, including the cost of determining the phosphate

values, plus payment of the fair market value of any phosphate values should the Secretary determine that any such values exist. In other words the conveyance will be without cost to the Federal Government.

#### COMMITTEE AMENDMENT

The Committee amendment directs the Secretary to require a deposit of money which he deems sufficient to cover the estimated administrative costs of the conveyance. If a conveyance is not made and the administrative costs exceed the deposit, the Secretary shall bill the applicant for the outstanding amount; however, if the costs are less than the deposit, the Secretary is directed to refund the excess.

An application for conveyance must be filed with the Secretary within 6 months of the date of enactment of the authorizing legislation. Payment of administrative costs and the fair market value of the interests to be conveyed must be made within the time specified by the Secretary. The money received for administrative costs shall be paid to the agency which rendered the service, and the money received for the mineral interests shall be paid into the general fund of the Treasury.

#### COST

As already indicated, the enactment of H.R. 10626 involves no cost to the Federal Government.

#### COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs recommends enactment of H.R. 10626. The bill was unanimously ordered reported by a voice vote.

#### DEPARTMENTAL REPORTS

The report of the Department of the Interior follows:

U.S. DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
Washington, D.C., December 3, 1973.

HON. JAMES A. HALEY,  
*Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This responds to your request for the views of this Department on H.R. 10626, a bill "To authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter."

We do not favor enactment of the bill.

H.R. 10626 would direct the Secretary of the Interior to convey all phosphate interests of the United States in 40 acres in Polk County, Florida to John Carter and Martha B. Carter. The conveyance would be made upon payment of \$200 for administrative costs and upon payment of the fair market value of the phosphate interests. No conveyance would be made unless payment is made within one year after the Secretary notifies the beneficiaries of the total amount to be paid.

The Geological Survey indicates that the land lies on the eastern edge of the land-pebble phosphate field. The land is prospectively valuable for phosphates. Positive determination as to whether valuable deposits exist would require core drilling and chemical analyses.

The land is located 15 miles southeast of Bartow, the County seat of Polk County, and 15 miles due south of Winter Haven, a resort area. It was patented on September 28, 1922 pursuant to Revised Statute 2455 as amended, 43 U.S.C. § 1171. We understand that the land is native pasture and is being used for grazing cattle. No immediate change in use is contemplated.

It is the policy of this Department to interpose no objection to private legislation to convey mineral interests reserved to the United States when the subject land is not valuable for the minerals reserved or the reservation would interfere with or preclude more beneficial development of the land than mineral development. This case appears to meet neither criterion. The land is prospectively valuable for phosphates and the reservation is not interfering with development of the land. We therefore do not favor enactment of the bill. In addition, it should be noted that the bill does not comply with the standard provisions recommended by this Department for the conveyance of mineral reservations.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

STEPHEN A. WAKEFIELD,  
*Assistant Secretary of the Interior.*

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